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Report on Southwest Hillsdale Terrace Project of Housing Authority of Portland

City Club of Portland (Portland, Or.)

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REPORT
ON
SOUTHWEST HILLSDALE TERRACE PROJECT
of
HOUSING AUTHORITY OF PORTLAND

To the Board of Governors,
The City Club of Portland:

I. INTRODUCTION

This Committee submitted a report on policies and operation of the Housing Authority of Portland (HAP) that was approved by the members in April, 1966. On October 31, 1966, the Committee was reactivated by the Board of Governors to consider a controversy that had arisen over a proposal by HAP to construct a new 70-unit public housing project on Southwest Vermont Street near 26th Avenue in the Hillsdale area (the Hillsdale site). Lawrence S. Black, who was a member of the original committee, was unable to participate in the investigation and preparation of this report; all other committee members have done so.

Since its reactivation the Committee has met weekly through November and December, 1966, and part of January, 1967, and has attended the hearings, interviewed the witnesses and examined the material described in the attached Exhibit A. The following report is based upon these investigations.

II. HISTORY OF PROJECT

Purchase of the Southwest Hillsdale Terrace site is a culmination of extended efforts to utilize about 100 dwelling units remaining out of 500 units authorized under a cooperation agreement between HAP and the City of Portland dated April 24, 1959. For purposes of allocation of cost to the units in this project, HAP relates these efforts back to September, 1961. This report is not concerned with previous efforts to find or obtain approval of sites for these units during the intervening years, but only with the activities related specifically to the Hillsdale site.

In the spring of 1966, HAP was considering the Hillsdale site and another site in the Hillsdale area for a possible project. The Hillsdale site had been offered for \$75,000 by a realtor who held an option on the land from the owner. On June 9, 1966, HAP received a letter from the City Planning Commission, apparently in response to an inquiry from HAP, discussing the relative merits of these sites. The letter was critical of the Hillsdale site because it was not level, a condition which might interfere with play areas, and because there was apparently insufficient school capacity in the area to accommodate the expected additional children.

On July 25, HAP wrote the Planning Commission stating that it proposed the construction of 90 units of public housing on the Hillsdale site, describing it as six and a half acres between Southwest 26th and 30th, just off Vermont Avenue, presently zoned A2.5.⁽¹⁾ HAP's letter stated that tentative approval had been received from the Housing Assistance Administration (HAA)⁽²⁾. In response to this letter, a meeting of the Planning Commission was held July 25. In addition to a quorum of the Planning Commission, the meeting was attended by the

⁽¹⁾ A2.5 permits low-rise multiple-family structures with a minimum of 2,500 square feet of area per dwelling unit.

⁽²⁾ This agency, which was described in the Committee's original report as the Public Housing Administration, was renamed in connection with reorganization of the federal agencies dealing with urban housing.

Commission's executive director (Lloyd Keefe), one other staff member, Harold Jaeger of HAP, Dr. William Oliver of School District No. 1, Mayor Terry Schrunk and Mayor Schrunk's executive assistant, Keith Jones.

At the July 26 meeting, the planning Commission reviewed the HAP proposal, emphasizing the steepness of the site, the problem of school facilities to accommodate additional children, and population density considerations. Reference was made to a prior Commission report to HAP which had recommended not less than 4,000 square feet of land area per dwelling unit for family size public housing projects. The staff proposed that 20 per cent of the land area be deducted to allow for street dedication and required parking, and consequently, that 55 units be the maximum approved for the site. This proposal was voted upon and adopted by the Planning Commission.

The Planning Commission's recommendation was not transmitted formally to the City Council because one or two days after the meeting, the Planning Commission discovered that of the 6.4 acres, 0.6 acres were zoned R7,⁽³⁾ contrary to its assumption that the entire tract was zoned A2.5. The executive director of the Planning Commission telephoned this information to Mr. Jaeger of the Housing Authority stating that no formal report would be made to the City Council until HAP advised whether it intended to obtain a zone change on the R7 acreage or to adjust its project to 5.8 acres. There was no further communication on this point from HAP to the Planning Commission.

Following the City Planning Commission meeting, HAP reconsidered the size of its project and after further discussions with the office of the Mayor and with HAA, adjusted the project downward from 90 to 70 units. On August 23, the Mayor addressed a formal written statement to the City Council recommending approval of the 70-unit project on the Hillsdale site, describing it as Tax Lot 4, zoned A2.5, and Tax Lot 246, zoned R7. HAP was advised on August 24 that the City Council had adopted the Mayor's recommendation and approved the purchase of the site for the project.

On August 26, HAP obtained a written offer of sale from the realtor holding the option on the land. HAP received written appraisals of the site dated August 29 and 30 from N. A. Ambrose, Senior Real Estate Appraiser (\$73,500) and Harold R. Wacker, American Institute of Real Estate Appraisers (\$80,000). On August 31, HAP voted to accept the offer and executed a contract of sale. Purchase of the land for \$75,000 was consummated on September 13.

On September 22, HAP addressed what is apparently a routine letter to the City Planning Commission asking for answers to a series of formal questions on planning and zoning considerations related to the project. The executive director of the Planning Commission answered the questions on October 7, noting the zoning problem with respect to the portion of the area now zoned R7. In addition he reviewed the points that had been discussed in the July meeting of the Planning Commission and stated the previous determination that no more than 55 units should be constructed. In conclusion he observed that a recommendation from the Planning Commission had never been transmitted to the City Council because of the question of zoning and stated that such a recommendation was required by state law (ORS 227.130) prior to action by the City Council.

At a regular meeting on October 4 (before the above letter was received), HAP voted to go ahead with the Hillsdale project, noting that approval had been obtained from HAA and the City and that the property had been purchased. This action was reported in the *Oregonian* on October 5, 1966. The newspaper article erroneously stated the size of the project as 98 units (this is the total number of units in three different locations that are part of one overall project of HAP) and correctly stated the estimated total cost for the project as \$19,284 per unit. There was almost immediate public criticism by traditional foes of public housing in Portland. In addition, within a short time a group calling itself "Citizens in Opposition to Southwest Hillsdale Terrace Public Housing Project" had been formed and was circulating petitions in the Hillsdale area objecting to the construction of the project. A copy of the petition is attached as Exhibit B.

(3) R7 permits single family dwellings with a minimum lot size of 7,000 square feet.

To further its efforts, the opposition group held a public meeting at Wilson High School on November 2, at which the project was opposed on the following grounds:

- 1) school congestion
- 2) excessive cost of the proposed units,
- 3) excessive land use density, and
- 4) the expressed fear that the prospective tenants, being of different social and economic background, would be ostracized in the neighborhood and in the schools, and generally would not fit in well in the community.

What appeared to be a majority of a rather noisy crowd of approximately 1,000 applauded the prepared speeches in opposition to the project. Of the persons recognized from the floor, most spoke in favor of the project, challenging the arguments or assumptions of the principal speakers. The crowd expressed vehement disapproval of the project supporters, to such an extent that it was often difficult to hear what was said.

Those who organized and chaired the Wilson High meeting were careful to avoid the interjection of racial considerations into the discussion. Your Committee feels, however, that most of the opponents attending the meeting were primarily concerned about introduction of a lower social and economic class into the neighborhood, which they feared would result in reduction in property values and downgrading of schools.

In response to the activities of the Citizens in Opposition, another neighborhood group came into being almost immediately after the opposition petitions were first circulated. This group, which calls itself "Southwest Good Neighbors," has been active in rallying support for the project. It has disseminated material stating its arguments in response to the opponents' objections. It has argued for the dispersal of public housing out of a limited area in North and East Portland, and has promoted the principle that persons of any social, economic or racial background should be welcomed in any part of the City.

On October 26, the executive director of the Planning Commission addressed a further letter to HAP inquiring about the status of the project. In this letter he stated at length his conclusions that ORS 227.130 required that there be a report from the Planning Commission before final action by the City on the location of the project, and that no such report had been made. There was again a request that HAP advise whether the entire site or only the portion zoned A2.5 was to be used, in order that a report could be given by the Planning Commission to the City. Reference was also made to the necessity for a zone change if the entire site were to be used.

Apparently as a result of the October 7 and October 26 letters, the City Attorney on November 3 addressed to the Mayor his legal opinion that the position taken in these letters was correct. On November 14, Mr. Verne Dusenbery, counsel for HAP, addressed to HAP a formal written opinion rejecting this position and further advising HAP that in his opinion, no approval of the site or the project by either the City Council or the Planning Commission was technically required. Regardless of which of the conflicting legal opinions may be correct, the City Council is apparently proceeding on the assumption that its prior approval on August 24 has been nullified or withdrawn and that the project is open for reconsideration in light of the community objections. Similarly, HAP is apparently proceeding on the assumption that it wishes to obtain additional approval from the City Council before proceeding with the project. (In any event, City Council approval is required for the zone change now being sought as outlined below.)

On November 10, the Citizens in Opposition to Southwest Hillsdale Terrace Public Housing Project addressed a letter to the Mayor and the City Commissioners, a copy of which is attached as Exhibit C. The letter requested a hearing at which the group could present opposition to the project because of anticipated "irreparable damage to the people for whose benefit the project was designed" and because of a feeling that "the cost factor is such that the site is inappropriate for low-cost housing." On November 23, the City Council considered the request and voted to hold a public hearing on the project at an unspecified future date.

On January 5, the City Council initiated proceedings for a change of zone of Tax Lot 246 (0.6 acres) from R7 to A2.5. This will be referred to the Planning Commission, public notice will be given in the neighborhood, and a public hearing will be held before the City Council under the regular procedures fixed by the Zoning Code. It is anticipated that the hearing will occur in mid-February, but a date has not yet been announced. It is assumed that the City Council, after the hearing, will in effect approve or disapprove the entire project although technically the only issue will be the change of zone.

III. PROJECT COST

The opponents to the Hillsdale project have repeatedly directed attention to the fact that HAP has estimated an over-all per-unit cost of \$19,284. It has been argued that this either represents colossal waste in the application of tax funds, or that luxury apartments are being built for persons who have not been sufficiently successful to buy their own housing, or both. Because of the peculiarities of accounting of HAP, some explanation of the cost figures is necessary to permit an evaluation.

The estimated development cost as included in the Development Program adopted by HAP and filed with HAA in San Francisco is attached as Exhibit D to this report. This shows the following major classifications of expense expressed in terms of total and per-unit cost on the basis of 98 units, of which 70 would be at the Hillsdale site (the brief explanations after some of the items do not include all the information shown in Exhibit D):

Account Classification	Total	Per Unit
Administration	\$ 22,240	\$ 227
[This amount consists principally of an allocated portion of salaries of HAP's Executive Director and technical staff over the expected 24-month duration of project development.]		
Interest	27,440	280
[This is the estimated total interest that HAP will pay to HAA for construction funds from the time the money is obtained until the project is finished and permanently financed.]		
Initial Operating Deficit	2,450	25
[This covers the anticipated excess of cost of operations, including tenant selection, moving in, etc., over income during an initial operating period after occupancy begins before full occupancy has been achieved.]		
Planning	112,700	1,150
[This amount consists primarily of architects fees and the cost of a construction inspector (clerk of the works).]		
Site Acquisition	83,620	853
[The \$8,000 in excess of the land cost is primarily for maps and surveys and title information.]		
Construction and Equipment	1,518,112	15,491
[This includes \$12,800 construction cost per dwelling unit, \$186,000 total site improvement cost, the cost of stoves, refrigerators and heating equipment, the cost of a maintenance building, and the cost of a community building.]		
Contingency	88,328	901
[This is a standard addition of 5 per cent to cover unforeseen costs, error in estimates, inflated construction costs, etc.]		
Previous Cost	34,999	357
[As was previously stated, HAP's cost accounting on this project starts in September, 1961. The \$35,000 previous cost reflects direct and indirect cost of seeking out and evaluating other sites that eventually were not used.]		
TOTAL	\$1,889,895	\$19,284

In evaluating the cost of construction, it should be kept in mind that public housing projects are designed for 40-year amortization and that private financing is secured and federal rent subsidy contracts are entered into on the basis of this as a minimum life. Because of this, construction standards, and consequently construction costs, tend to be higher. This should result in lower maintenance costs over the life of the project and greater residual value after 40 years. In this case the preliminary plans for the dwelling units call for reinforced concrete block masonry exterior walls, which can hardly be regarded as luxury construction.

The Committee does not feel that the estimated costs are excessive or that they represent a real issue in weighing the desirability of the project. There is no validity in the widely-repeated assertion that a unit in the project will be the equivalent of a \$19,000 home. The estimated project costs contain too many items such as site improvement, administrative costs, contingency reserve, prior costs, etc., to permit such a comparison. The only relevant questions are whether the project is imprudently conceived or involves excessive costs out of keeping with the letter or the spirit of the housing program. As has been stated, the Committee answers these questions in the negative.

Because the cost figures of \$19,284 per dwelling unit was made public without the explanatory breakdown set out above, it was widely misconstrued. This gave the opponents an excellent opportunity to drum up opposition to the project by exploiting, intentionally or otherwise, lack of understanding of the probable cost. The Committee feels that this attention to and concern about costs has been a means to an end used by persons opposed to the project for other reasons. This is highlighted by the fact that the leaders of the opposing group have not previously expressed concern about these costs when HAP planned, bought or built projects in other parts of the City.

IV. SCHOOL CONSIDERATIONS

It has been estimated that the project will include approximately 270 children in the following age groups: 100 pre-school, 135 grade school and 35 high school.

In its first reaction to this project, the administration of School District No. 1 stated, quite accurately, that a problem would be posed by the introduction of these additional children into the area. It was pointed out that schools were filled to capacity at this time and that present plans do not exist for creating additional school facilities. These statements provided the basis for school-oriented opposition to the project. This Committee has discussed the question with the Superintendent of School District No. 1, Dr. Melvin Barnes, and the Assistant Superintendent, Dr. William Oliver, and with members of the School Board and with other administrative persons in the District.

Opponents of the project have based their opposition on the claim that it would "destroy" the schools in the area. Concern has been expressed that the quality of education would suffer from severe overcrowding in the schools. There has also been concern that the quality of education might suffer because of the introduction of large numbers of children with poor educational backgrounds. The school administration strongly rejects this claim and these concerns.

The Committee does not wish to slight the importance of schools and education or to disregard the fact that providing school expansion to meet increases in school population is a significant problem of any metropolitan school district. The Committee was convinced by the school administration, however, that this was neither an unusual nor a formidable problem in this case. The administration of School District No. 1 has dealt with worse overcrowding problems and it has complete confidence that it can solve this problem without any effect on the quality of education in the area. Private builders and developers seldom, if ever, consult with the School District when they plan or build housing that will bring additional school children to an area. They assume that the School District will educate the children, and it does so, often on short notice. In this case the School District will have two or three years in which to prepare for the additional children.

Methods of absorbing the enlarged school population in the area might include adjusting school boundary lines, constructing new schools or enlarging existing schools, adjusting the number of grades taught in particular schools, using the

Fulton Park School building owned by School District No. 1 but not now used as a school, or moving children to less crowded schools. There seems to be no question that in one way or another the Administration of School District No. 1 can solve this problem without much difficulty. In any event, school sites are selected to provide education where children are located and not *vice versa*.

The quality of education should not suffer from the introduction of children with lower educational backgrounds. The School District would have to educate the additional children somewhere and they would probably benefit from contact with the children now in the neighborhood. As for the children now in the area, there is no reason to believe that their education will be impaired by the introduction into their classes of the rather small number of children from the project. On the contrary, in the opinion of many educators the broadened educational experience which results from a situation of this kind more than offsets the problems that may arise. In any event, the Committee believes the administration is capable of dealing with any such problems.

The Committee believes some dispersal of the children would be desirable. The present boundary between two grade schools is only a block from the project area, which should make it feasible to assign the children to at least two and preferably three different schools. Your Committee believes this would be advantageous for both groups of children.

Experience at other Portland high schools indicates that the relatively small estimated number of high school students will not present a problem.

The Committee's conclusion is that the construction of the project would present the Administration of School District No. 1 with some relatively minor problems which it can solve in a routine manner. It feels strongly that the arguments against the project based on its effect on education are not valid and that the decision as to whether or not to build the project should be made without fear of an adverse effect on the schools in the area.

V. PLANNING CONSIDERATIONS

Objections to the project from the standpoint of land use planning have taken two forms:

- (1) assertion by the opponents of the project that HAP should scatter public housing throughout the city in small one, five and ten-unit projects,⁽⁴⁾ and
- (2) dispute over the maximum number of units that should be placed upon the Hillsdale site considering its size and the nature of the project.

A. SCATTERED UNITS

The idea of using small units scattered throughout the City and throughout neighborhoods within the City has an immediate appeal from a social planning point of view. Creation of large public housing units has a tendency to produce an inward orientation on the part of the tenants, and to create the kind of community resistance to assimilation that is being manifested with respect to this project. There may, unfortunately, be some stigma attached to living in public housing, and this presumably would be minimized by smaller units, which have less impact upon the area. All in all, it would seem likely that the social returns from public housing would tend to increase as the size of the project decreased.

On the other hand, the use of smaller units has distinct disadvantages. One of the obstacles to widespread use of this device in Portland (as opposed to other parts of the country where housing authorities have constructed smaller neighborhood projects) has been the reluctance of the public utilities in Portland to grant a single lower rate covering several dispersed smaller projects. This apparently has a significant effect on operating costs because individually metered projects of

⁽⁴⁾The opponents have also referred to the rent subsidy program-- which is administered by the FHA and not by HAP--and the leasing program of HAP. The leasing program is a recent innovation that this Committee has not studied and that HAP has not yet put into effect. If HAP successfully uses all 1,000 leasing units allocated to Portland by HAA, it will still be far short of meeting the total need. The FHA program as presently projected will not provide a significant number of additional units.

relatively small size carry a higher per-unit cost for gas and electricity. It is the Committee's understanding that progress is being made in solving this problem and that this obstacle to using small units may be eliminated in the future. Some increase in administrative cost for small units would appear to be inevitable, however, because of the necessity of planning and carrying out more projects in order to create the same number of dwelling units, and because of increased costs of supervision and maintenance.

One of the most serious obstacles to small unit construction may be the kind of community opposition that is being experienced in this case. A parallel might be found in Stamford, Connecticut, where a determined attempt on the part of the city administration and the housing authority to establish five projects of ten to thirty units each rather than one large unit has encountered bitter opposition. Each project, even though small, has aroused a reaction in the neighborhood in which it is to be located, thus multiplying by five the potential number of groups of "Citizens in Opposition" to the overall project.

Another important consideration in comparing this project with the proposed scatter-site projects is that the project as conceived is relatively small. By standards in many parts of the country, 70 units having a total of 210 bedrooms (see Paragraph B below) is quite small, and by any standards it cannot be considered excessive. Many housing projects in Portland, both public and private, are larger (see Exhibit E). Furthermore, a determination that some other types of project would satisfy some social requirements to somewhat greater advantage does not constitute a sufficient argument to oppose this project so long as it is in itself reasonably conceived. This is especially so in view of the conclusion reached in this Committee's prior report that HAP has fallen far short of satisfying any significant proportion of the total need for low-rent public housing in Portland.

B. DENSITY OF LAND USE

The Hillsdale project as finally proposed by HAP and tentatively approved by HAA consisted of 70 units: 50 three-bedroom; 10 four-bedroom, and 10 five-bedroom, for a total of 240 bedrooms. On the basis of HAP's calculation of the total square footage of land in the site, this would be 3,860 square feet per dwelling unit if the site includes the portion now zoned R7. As was previously indicated, the City Planning Commission has in earlier reports to HAP indicated a desirable minimum site area per dwelling unit of 4,000 square feet because of the size of HAP dwelling units. This compares with the minimum of 2,500 square feet per dwelling unit that would be legally required for private housing on this site under the Portland Zoning Code.

When the City Planning Commission approved 55 units for this site, it did so by deducting from the available acreage 20 per cent (approximately 55,000 square feet) for street dedication and parking areas, and applying a 4,000 square foot per dwelling unit standard to the remaining area. HAP's Development Program, which the Planning Commission had not seen when it passed on the project, shows dedication of just under 3,000 square feet to extend 26th Street through to California Street. Consequently, the 55,000 square foot deduction must be justified, if at all, because of accessways and parking areas. Preliminary site plans call for a perimeter drive for access to parking areas at the rear of the proposed buildings.

A private builder is not required to deduct drives, parking areas, or other site improvements or uses before figuring the required site area per dwelling unit. He is required to deduct only portions dedicated for public streets and thus removed from the site completely. The site area requirements must take into consideration uses such as vehicular accessways and parking areas that are normally attendant upon multiple family development. The Planning Commission's previous report to HAP recommending a minimum of 4,000 square feet per dwelling unit did not suggest that deductions would be made for parking and access.

The approach taken by the Planning Commission was discussed at length by the Committee with the Planning Commission. The Commission was unable to satisfy the Committee that deduction of 55,000 square feet for street dedication and parking was justified or was consistent with the Commission's stated criteria. Without presuming to adopt the role of professional planners, the Committee

concluded that the 70-unit density was not unreasonable by standards that the Planning Commission has previously announced.

Because of the opposition of the Planning Commission to the size of the project, HAP reviewed the matter at considerable length and met with the Planning Commission seeking mutually agreeable adjustments to the project that could eliminate this opposition. At a meeting attended by a member of this Committee, HAP representatives were informed by the Planning Commission Executive Director that if the entire site were available (i.e. the 0.6 acre now zoned as R7 were rezoned at A2.5), he would recommend to the Planning Commission approval of 70 units of three bedrooms each, with elimination of all four and five-bedroom units. This would make a total of 210 bedrooms on the site as opposed to the 240 that previously had been proposed by HAP and the 187 that the Planning Commission had previously approved. At a subsequent date, however, the Executive Director of the Planning Commission announced that he was no longer willing to recommend approval of this compromise, so it appears at this time that the Planning Commission will continue to oppose a 70-unit project. On January 10, 1967, HAP formally adopted the modification of the project to exclude four and five-bedroom units. The Committee understands that this modification has also been approved by HAA and is not opposed by the Mayor.

Legally, HAP is not required to do anything more than meet zoning requirements (unless the City Council chooses to impose greater requirements as a condition to granting site approval).⁽⁵⁾ The only density requirement that is applicable under the zoning law is that the site have a minimum of 2,500 square feet per dwelling unit in the project. The 4,000 square feet per dwelling unit figure is one that has been derived by the Planning Commission as a recommendation to HAP, not as a legal requirement. It reflects the fact that the zoning code was written for application to private developments with apartments of one or two bedrooms and not with the idea of larger three, four and five-bedroom apartments. It must be noted, however, that there is nothing in the law to prevent a private builder from building apartments with larger numbers of bedrooms, although it is generally considered unlikely that much of this will be done, because of economic considerations.

In seeking to meet the more stringent criteria recommended by the Planning Commission, HAP is unquestionably following the more desirable course. Since HAP is a public agency, it should attempt to meet the best planning criteria that are feasible; it is not appropriate for it to build overly-dense projects simply because they are within the somewhat liberal standards established by the zoning code. In this case your Committee feels that HAP has sufficiently discharged its responsibility toward planning considerations in the project as now conceived.

It is interesting to note that the proposed HAP project falls well within the range of density of land use of private projects in the metropolitan area. The information received from the Planning Commission indicates that the square footage of land *per bedroom* for the Hillsdale project is greater than many privately-owned projects in the Southwest area and much greater than many such developments in other areas of Portland. Dealing in terms of bedrooms rather than dwelling units eliminates the distortion because of the small size of most private apartment units. The resulting direct comparisons are therefore completely valid and quite significant. A resume' of these data for a number of public and private projects is set forth in Exhibit E.

⁽⁵⁾ As has been previously discussed, there are conflicting legal opinions about the City Council's right to approve or disapprove sites. It seems clear that such approval is required under the 1963 cooperation agreement between HAP and the City (which does not cover this project) and that HAP has followed a consistent practice of seeking Council approval on projects, such as this one, covered by earlier cooperation agreements.

VI. DESIGN

In its previous report, the Committee commented on the quality and esthetics of design and planning of HAP's projects and concluded "that in planning and designing new projects, HAP should insist that through creative design and quality of construction these buildings set an example of imaginative, human-oriented housing." This consideration is of special importance in this case because HAP is venturing for the first time into a suburban neighborhood, and because it has encountered community opposition. It is imperative not only that the project avoid being a detriment to the neighborhood from an esthetic point of view, but, insofar as possible, that it make a positive contribution. In the Committee's opinion the proposed site, although requiring some resourcefulness because of the slopes involved, provides an excellent opportunity for an imaginative layout. Unfortunately, such information as the Committee has received about preliminary site planning and preliminary specifications for materials does not suggest that the site will be imaginatively exploited or that the choice of materials will enhance rather than detract from the esthetic quality of the project. This information is very preliminary, however, and the Committee does not presume to condemn in advance a design not yet completed.

There has been some discussion of providing a community building in connection with the Hillsdale project. This has been described by HAP on some occasions as a building for use by the general community as well as inhabitants of the project for neighborhood meetings, Scout activities, teen-age dances, etc. On the other hand, the Development Program referred to in part III above describes the public facility as a concrete block building housing a coin-operated laundry and canteen service. A community building with adequate facilities open to the general neighborhood for both children and adults could make an important contribution, particularly in promoting assimilation of the tenant families into the neighborhood. A public facility of the kind described in the Development Program, however, would have no significance with respect to these very important considerations. The Committee feels that limiting the public facility in the way that has been suggested in the Development Program is false economy in terms of the human values involved.

These questions of design and planning of living and recreational facilities have far-reaching importance in all projects of HAP. The efforts of HAP in this regard have been subjected to substantial criticism from community groups, including this Committee in its prior report. Because of the potential impact of HAP's activities on the community and because this Committee feels that HAP has not been entirely successful in the design aspects of its program in the past, it would seem appropriate to involve the community as a whole in the planning of these projects to the greatest extent possible. This could suitably be accomplished in the opinion of the Committee by establishing an advisory board of independent architects or other qualified persons to review and make recommendations with respect to the design and planning of all HAP projects. Utilization of such a board is not a novel procedure in situations of this kind, and the Committee sees no practical impediment to its workability.

VII. CONCLUSIONS

The Committee has reached the following specific conclusions:

A. Assimilation of the additional students into the school system is not a problem that will present any peculiar difficulty of solution by the School District. The advance notice in this case will give significantly more opportunity for planning to accommodate the children than usually exists with respect to private housing construction and attendant shifts in population. The Committee agrees with the School District that this is a matter that the School District is competent to handle, and should not be treated as a factor in weighing the desirability of the project.

B. The anticipated cost of the project including the land is not unreasonable and does not constitute a waste of public funds. There is no indication that the units will be lavish or luxurious or in any way out of keeping with the standards or objectives of the housing program.

C. A project of 70 units having a total of 210 bedrooms at this location is consistent with appropriate planning criteria. The fact that a series of small projects scattered through a neighborhood might have some advantages from some points of view is not a reason for opposing this project, especially in view of the relatively small extent to which HAP has met the need for public housing in Portland and the difficulties it has experienced in the past with other projects because of opposition from community groups particularly affected. Portland cannot afford to exclude any reasonable avenue available to HAP for increasing the amount of good low-rent housing.

On the basis of these conclusions, the Committee feels that there is no sound opposition to the housing project. Furthermore, the Committee feels that implementation of this project and support for it from the community is necessary to establish a significant basic principle: that no person has a property interest in his neighborhood that entitles him to exclude from it other persons who, because of their racial, social, economic or ethnic background, may change the character of his neighborhood or otherwise have some impact upon his way of life.

The entire community should be aware of the dramatic problem that all urban areas face with the growing tendency for white middle and upper middle class persons to flee to the suburbs. The core city is surrendered to minority groups and other persons who labor under handicaps that prevent them from securing the economic wherewithal to follow to the suburbs. Portland has, as yet, suffered less from this phenomenon than have many other cities. This does not, however, foreclose the very real possibility that the existing difficulties may worsen if the exercise of a principle of neighborhood exclusion is tolerated.

In making these observations, the Committee does not suggest that those persons who have opposed this project have done so because of unarticulated racial or social-economic prejudices. The Committee does feel that those reasons that have been given for opposing the project are not as important as the necessity of affirmatively dispelling any implication of racial or social-economic prejudice. The Committee feels that there is no essential difference between a desire to avoid the intrusion into a neighborhood of persons of different educational, social or economic background, because of a fear that this may have an adverse effect on property values and schools, and a desire to exclude persons on a purely racial basis. In either case, the criteria being applied are inappropriate in today's urban society.

VIII. RECOMMENDATIONS

Your Committee makes the following recommendations:

A. HAP should take every reasonable step, including establishing an advisory board of independent architects or other qualified persons, to insure that each HAP project, including the Southwest Hillsdale Terrace project, is well designed and constitutes a desirable living environment for its tenants and an asset to the community in which it is located.

B. The City Club should express its approval and support for the Southwest Hillsdale Project and urge the City Council to give favorable consideration to the project in the forthcoming hearings.

Respectfully submitted,

William A. Comrie
Howard L. Glazer
Dr. Herbert W. Goodman
George McFarland
Wendell O. Walker
Thomas P. Deering, *Chairman*

Approved by the Research Board January 12, 1967 and submitted to the Board of Governors.

Received by the Board of Governors January 16, 1967 and ordered printed and submitted to the membership for discussion and action on January 27, 1967.

EXHIBIT A

Persons interviewed either by the Committee as a whole or by individual members thereof, include:

Terry D. Schrunk, Mayor; Keith Jones, Administrative Assistant to the Mayor, City of Portland; Lloyd T. Keefe, Executive Director of the Planning Commission, City of Portland;

Gene Rossman, Executive Director; Fred Rosenbaum, Commissioner, and Verne Dusenbery, legal counsel, Housing Authority of Portland;

Dr. Melvin Barnes, Superintendent, and Dr. William Oliver, Assistant Superintendent, Portland Public Schools;

Robert L. Ridgely, member, Portland School Board;

Edwin Schneider, Principal, Lincoln High School;

Robert Schuberg, Principal, Fabian School;

The Rev. Ira Blalock, Chairman, Greater Portland Fair Housing Council;

Ludlow H. Kaeser, Chairman, and Keith Burns, of Southwest Good Neighbors;

Jack D. McClenaghan, Chairman, Citizens in Opposition to Southwest Hillsdale Terrace Public Housing Project;

James B. Baker, Hillsdale Realtor and chairman, public meeting at Wilson High School November 2, 1966;

Louis Ambler, representative, Housing Assistance Administration, San Francisco, Calif.

Special meetings attended by members of the Committee included:

Public Meeting, Wilson High School Auditorium, November 2, 1966, organization by Citizens in Opposition to Southwest Hillsdale Terrace Public Housing Project.

Meeting of Greater Portland Fair Housing Council, Marylhurst College, November 16, 1966.

Source materials studied by your Committee included:

Opinion of Mr. Verne Dusenbery to Housing Authority of Portland.

Opinion of City Attorney Alexander Brown to Mayor Terry D. Schrunk.

Minutes of the July 26, 1966 meeting of City Planning Commission.

Correspondence between Housing Authority of Portland and City Planning Commission.

Development Program proposed by Housing Authority of Portland for Project No. Ore. 2-5, Program Reservation No. Ore. 2-B, November 9, 1966.

Questions and Answers Concerning Public Housing and Hillsdale Terrace, November 26, 1966, compiled and distributed by Southwest Good Neighbors, Lud Kaeser, Chairman.

Materials circulated by Citizens in Opposition to S.W. Hillsdale Terrace, J. D. McClenaghan, Chairman, including a petition and a bulletin.

Newspaper articles and letters to the editors in Portland *Oregonian* and *Oregon Journal*.

Stamford's Attempt to Integrate Suburbia, *The Reporter Magazine*, December 29, 1966.

Excerpts from November 19, 1963 report from City Planning Commission to Housing Authority of Portland on project sites.

Transcript of speech given November 15, 1966 by Ray C. Hallberg to Hollywood Lions Club.

Fact Sheet on S.W. Hillsdale Terrace prepared by Housing Authority of Portland.

Correspondence from Robert L. Ridgely, member of Portland School Board, to Southwest Good Neighbors, November, 1966.

Appraisals from N. A. Ambrose, Senior Real Estate Appraiser, dated August 29, 1966, and Harold R. Walker, Member, American Institute of Real Estate Appraisers, dated August 30, 1966, both covering the Hillsdale site.

EXHIBIT B
PETITION
CITIZENS IN OPPOSITION TO SOUTHWEST HILLSDALE TERRACE
PUBLIC HOUSING PROJECT

We, the undersigned residing in the immediate community, having been informed that the Housing Authority of Portland has under consideration the construction of a project known as the S.W. Hillsdale Terrace to be located in the area of S.W. Capitol Highway, S.W. California Street and S.W. 28th, do hereby protest and object to the construction of said project on the following basis:

1. The schools in the area are already congested and filled and such construction would overburden all existing facilities and contemplated facilities.
2. The traffic facilities in the area contemplated are insufficient to handle the increased traffic that would be created by this project.
3. The criteria used by the Housing Authority of Portland for the building of low-cost housing has not been met. The criteria used by the Housing Authority as a guide are:

- a. Inexpensive land (6.4 acres cost \$75,000.00)
- b. Adequate transportation in area
- c. Adequate schools in area
- d. Shopping facilities commensurate with income level
- e. Social and economic acceptance by neighboring community
- f. Removal of blight-stricken areas and replacement with decent low-cost housing.

NAME

ADDRESS

EXHIBIT C

CORRESPONDENCE TO CITY COUNCIL BY CITIZENS COMMITTEE

Mayor Terry D. Schrunk
Commissioner Ormond R. Bean
Commissioner William A. Bowes
Commissioner Mark A. Grayson
Commissioner Stanley W. Earl

Gentlemen:

November 10, 1966

For some time now we have been vitally interested in the proposed S.W. Hillsdale Terrace public housing project as planned by the Housing Authority of Portland. After careful consideration of this project we have reached the conclusions that the selection of the site in question would result in irreparable damage to the people for whose benefit the project was designed. Secondly, we feel the cost factor is such that the site is inappropriate for low-cost housing.

In addition to the above-stated points, we believe there are other objections of the site that should be brought before the Portland City Council. We, therefore, request the privilege of coming before the Portland City Council at your earliest convenience to state our objections at a public hearing.

We feel after hearing our objections and proposals you will reject the site selected and prevent a great injustice from occurring.

/s/ Jack D. McClenaghan
Citizen in Opposition to
S.W. Hillsdale Terrace
Public Housing Project

cc: Mr. James Long
Oregon Journal

cc: Mr. William Sanderson
The Oregonian

EXHIBIT D

PART IV

ESTIMATED DEVELOPMENT COST

40b. Estimate of Total Development Cost

Item No.	Account	Classification	Est. Total Cost	Est. Cost Per Unit
ADMINISTRATION				
01	1410.1	Nontechnical Salaries	\$ 8,900	\$ 91
02	1410.2T	Technical Salaries	6,890	70
03	1410.4	Legal Expense	2,900	30
04	1410.9	Employee Benefit Contr.	670	7
05	1410.10	Travel	200	2
06	1410.12	Publications		
07	1410.14	Membership Dues & Fees	100	1
08	1410.16	Telephone & Telegraph	150	1
10	1410.19	Sundry	2,430	25
		TOTAL ADMINISTRATION	22,240	227
17	1420	Interest Exp.—Net	27,440	280
18	1425	Init. Oper. Deficit	2,450	25
PLANNING				
19	1430.1	Arch. & Eng. Fees	80,360	820
20	1430.2	Consultant Fees		
21	1430.6	Permit Fees	4,900	50
22	1430.7	Inspection Costs	19,600	200
23	1430.8	Fee for PHA Services (HAA)	5,880	60
24	1430.9	Housing Surveys		
25	1430.19	Sundry Planning Costs	1,960	20
26		TOTAL PLANNING	112,700	1,150
SITE ACQUISITION				
29	1440.1	Property Purchases	75,000	785
31	1440.3	Excess Property		
32	1440.4	Surveys and Maps	5,820	60
33	1440.5	Appraisals	700	7
34	1440.6	Title Information	1,800	18
35	1440.8	Legal Cost—Site		
36	1440.10	Option Negotiations	100	1
39	1440.19	Sundry Site Costs	200	2
40	1440.20	Site Net Income		
		TOTAL SITE ACQUISITION	83,620	853
CONSTRUCTION AND EQUIPMENT				
56	1450	Site Improvement	186,620	1,904
64	1460	Dwelling Structures	1,257,250	12,829
72	1465	Dwelling Equipment	29,400	300
78	1470	Nondwelling Structures	29,168	293
84	1475	Nondwelling Equipment	15,680	160
		TOTAL CONSTRUCTION & EQUIP.	1,518,112	15,491
86	TOTAL (Including Donations)		1,766,568	18,026
87	Less: DONATIONS			
88	TOTAL (Before Contingency)		1,766,568	18,026
89	Add: Contingency		88,328	901
	Previous Costs		34,999	357
90	TOTAL (Without Relocation)		1,889,895	19,284
RELOCATION COSTS				
	[No expenses estimated]			
97	TOTAL		1,889,895	19,284

**EXHIBIT E Resume' of Some Public and Private Multiple-Family Projects
in the Hillsdale and Metropolitan Area:**

Name of Project	Zone	Sq. Ft.	No. of Dwelling Units	No. of Bedrooms	Sq. Ft. Per Dwelling Unit	Sq. Ft. Per Bedroom
PUBLIC PROJECTS						
Columbia Villa N. Woolsey Ave.	R8	3,570,000	440	978	8,000	3,650
Dekum Court	R8.4	744,000	86	180	8,640	4,000
Skyline (Vancouver Housing Authority)	R5.8	872,000	102	286	5,820	2,300
Hillsdale Terrace	A2.5 R7	270,000	70	210	3,860	1,280
METROPOLITAN AREA						
Riviera Garden Court 820 S.E. 19th Ave.	A1.7	135,000	80	166	1,910	800
Rose Tabor Ct. 1940 S.E. 80th Ave.	A1.4	62,300	43	71	1,215	900
El Moro Apts. 2016 S.E. 122nd Ave.	A1.	167,000	92	162	1,825	1,000
Oswego Terrace 16200 Pacific Hwy.	—	125,000	78	145	1,600	800
Chateau Hills 10530 S.W. Broner Rd.	—	95,000	50	118	1,900	800
Villa de Este 700 N.E. 101st Ave.	A1.5	218,000	144	264	2,340	825
Binford Apts. N.E. Halsey	A2.6	697,000	272	516	2,570	1,350
Bay-Roc, Oswego 668 McVey	A1.7	208,500	109	198	1,950	1,050
Parkrose Apts. 10235 N.E. Prescottt	A1.5	96,200	64	64	1,500	1,500
Halsey St. Arms 12428 N.E. Halsey	A1.5	115,926	77	77	1,500	1,500
Satellite Apts. 10612 N.E. Wygant	A1.4	130,680	96	165	1,300	790
Waverley Greens Apts. 600 Waverly Ct., Milw.	A.3	217,800	64	152	3,400	1,400
HILLSDALE AREA						
2503 Beaverton- Hillsdale Highway	A2.9	69,000	24	48	2,900	1,400
6502 S.W. 21st Ave.	A2.5	30,000	12	24	2,500	1,250
Marovi Village S.W. 26th, Capitol Hwy.	A2.5	138,600	53	53	2,600	2,600
Cloverleaf Apt. 1420 S.W. Bertha Blvd.	A2.5	100,000	40	72	2,500	1,400
Timberlee (West)	A2.5	217,800	84	162	2,580	1,350
Timberlee (East)	A2.5	175,111	62	136	2,825	1,290
5131 S.W. 38th Ave. Raleigh Brooks	A2.5	213,400	93	93	2,300	2,300
Raleigh Firs 6237-6319 S.W. Beavtrn.						
Orchard Hill S.W. Vermont & 30th	A2.5	50,000	20	40	2,500	1,250
Sharita S.W. 25th & Bertha	A2.5	119,000	44	72	2,700	1,600
Laigh Glen (Capitol Hill Apts.)	A2.5	100,000	36	70	2,775	1,400
6825 S.W. Capitol Hill Rd. Hilldale	A2.5	227,000	59	102	3,810	2,200
S.W. 30th & Nebraska Lark Plaza	A2.5	56,000	44	66	1,270	850
4916 S.W. 56th Ave.						

The projects that are included in this resume' were selected by the City Planning Commission in response to a request from the Committee for comparative data.